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The Health Insurance Premium Payment (HIPP) Program for Iowa Medicaid Recipients



**THE HEALTH INSURANCE PREMIUM PAYMENT (HIPP) PROGRAM
FOR IOWA MEDICAID RECIPIENTS**

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WHAT IS MEDICAID?

Medicaid (also known as Title 19) is an assistance program which pays for covered medical and health care costs of persons who qualify. The Medicaid program is funded by the federal and state government and is managed by the Iowa Department of Human Services (DHS).

**WHAT IS THE HEALTH INSURANCE
PREMIUM PAYMENT PROGRAM?**

The Health Insurance Premium Payment (HIPP) program is a Medicaid program that pays for the cost of premiums, coinsurances and deductibles. The program pays for employer-related and private health insurance for Medicaid-eligible persons when it is determined to be cost effective.

WHAT DOES “COST EFFECTIVE” MEAN?

“Cost effective” means that is cost less to buy health insurance to cover medical care than to pay for the care with Medicaid funds.

**HOW WILL DHS DETERMINE WHETHER MY
INSURANCE POLICY IS COST EFFECTIVE?**

Employer-related group health plans that provide major medical coverage are determined cost effective when:

1. The employee’s share of the premium costs \$50.00, or less, per month for a one-person household (\$100, or less for two or more persons); or
2. The plan provides coverage to a Medicaid-eligible pregnant woman.

For all other policies, DHS establishes the average amount of Medicaid that is spent on a household like yours. DHS also considers the specific health-related circumstances of your household. For

example, if a member of your household has a medical condition that requires frequent treatment, DHS considers this. The expected Medicaid payments for your household are compared to the services covered under the policy and the cost of the premiums, coinsurances, and deductibles. If the cost of the insurance is less than what DHS would spend in Medicaid for those same services, the insurance policy is cost-effective.

IF I HAVE PRIVATE HEALTH INSURANCE, CAN I BE ELIGIBLE FOR MEDICAID?

The fact that you have private health insurance coverage does not affect your eligibility for Medicaid. Medicaid will still pay for covered services that are not payable by the private insurance plan, up to the Medicaid reimbursement rate.

IF I HAVE MEDICAID, WHY DO I WANT HEALTH INSURANCE?

The main reason the Department of Human Services wants to buy private health insurance for people getting Medicaid is that it will help lower costs to the Medicaid program. However, there are several reasons why having insurance may be good for you.

1. The policy may cover services that may not be covered under Medicaid.
2. Members of your family who are not eligible for Medicaid will be covered under the private health insurance plan when DHS determines that buying a family plan for the Medicaid-eligible persons is cost-effective.

EXAMPLE

Mr. and Mrs. M have three children. The children are all eligible for Medicaid under the Child Medical Assistance Program. Mr. and Mrs. M are not eligible for Medicaid. Mr. M's employer offers group health insurance to his employees. The employer pays for half of the premium and the employee

pays for the other half. Mr. M states he can't afford to pay the employee's share of the premium.

Two of the children have serious medical conditions which require frequent treatment and hospitalization. These services would be covered by the private insurance available through Mr. M's employer. DHS determines that it would cost less to pay Mr. M's share of the premium than to pay for these services only with Medicaid. By purchasing a family plan to cover the children, Mr. and Mrs. M will also have insurance coverage, even though they are not eligible for Medicaid.

3. You will have private health insurance available to you if you lose Medicaid eligibility. (However, you will be responsible for paying the premiums.)

WHAT IF I DON'T WANT PRIVATE HEALTH INSURANCE?

If DHS has determined that the group health insurance available to you through an employer is cost effective, you are required to participate in the plan as a condition of Medicaid eligibility. If you voluntarily drop the insurance coverage or fail to provide information necessary to determine cost-effectiveness, your Medicaid benefits may be canceled.

You are not required to enroll in a plan that is not a group health insurance plan through an employer. However, if it is determined cost-effective, DHS will pay the cost of premiums, coinsurances and deductibles of non-group health plans, if you choose to participate.

WILL DHS FIND HEALTH INSURANCE FOR ME?

No. Health insurance may be available to you through an employer, an organization of which you are a member, a labor union, a credit union, a church affiliation, or a personal policy in which you wish to enroll. It is your responsibility to notify DHS of the availability of the insurance. DHS will not solicit sales from insurance carriers in order to buy health insurance for people on Medicaid.

WILL THE HIPD PROGRAM PAY FOR ANY TYPE OF INSURANCE PLAN?

No. Certain types of plans are not eligible for participation in the HIPD program. Premiums will not be paid when:

1. The policyholder does not live in the household with the Medicaid-eligible persons.
2. The insurance plan is an indemnity policy which supplements the policyholder's income or pays only a predetermined amount for services covered under the policy (e.g., \$50 per day for hospital services instead of 80% of the charge).
3. The insurance plan is a school plan offered on the basis of attendance or enrollment at the school.
4. The premium is used to meet a spenddown obligation under the Medically Needy program when all persons in the household are eligible or potentially eligible only under the Medically Needy program.

Note: You may qualify for the HIPD program when some of the persons in your household are eligible for full Medicaid benefits even if others in your household must meet a spenddown obligation under the Medically Needy program.

5. The insurance plan is designed to provide coverage only for a temporary period of time (e.g., 30 - 180 days).
6. The insured person is eligible only for limited Medicaid services under the Specified Low-Income Medicare Beneficiary (SLMB) coverage group.
7. The insurance plan is through the Iowa Comprehensive Health Insurance Association.

8. The insurance plan is a Medicare supplemental policy (often referred to as a "Medigap" policy). This applies to all applications filed on or after March 1, 1996.

HOW LONG WILL DHS PAY FOR MY INSURANCE?

DHS will continue to pay for private health insurance as long as you are eligible for Medicaid and as long as it is determined to be cost effective. In addition to regularly scheduled reviews, DHS will review the policy when there is an increase in the cost of the premium, a change in the services covered or a change in who is covered under the policy.

HOW WILL THE PREMIUMS BE PAID?

Whenever possible, DHS will make arrangements to pay the health insurance premium directly to the insurance carrier. When the employer makes a payroll deduction, DHS will ask the employer to agree to accept payment from DHS instead of deducting the insurance payment from your earnings. If the employer will not agree, DHS will reimburse you directly for the payroll deduction made for health insurance.

Depending upon how payments are made, you may be asked to forward premium notices or provide pay stubs to DHS to verify the amount to be paid.

I HAVE TWO PRIVATE HEALTH INSURANCE POLICIES AVAILABLE TO ME. WILL DHS PAY FOR BOTH PREMIUMS?

No. When more than one policy is available and both policies are determined to be cost effective, DHS will pay premiums only for one policy.

HOW DO I APPLY?

If you have an insurance plan that is not through an employer or your worker did not make a referral, you may apply by simply filling out the postage-paid post card on the back cover of this booklet. Detach the card and mail it to the Department of Human Services.

APPEALS

If you are dissatisfied with the actions or lack of action by DHS, you should discuss the matter with your worker. If a satisfactory agreement cannot be reached, you have a right to file an appeal and ask for a hearing. If a hearing is allowed, it will be an informal meeting before an administrative law judge from the Department of Inspections and Appeals. All the facts will be reviewed to see if the decision was correct or should be changed. You may file an appeal to ask for a hearing by writing to your county Department of Human Services office or by writing to:

Appeals Section, Bureau of Policy Analysis, Iowa Department of Human Services, Hoover State Office Building, Des Moines, IA 50319-0114.

If you feel the "Notice of Decision" is incorrect, you may file an appeal within 30 days of the date on the notice which will protect your right to a hearing. Discussions with your worker or other DHS staff *do not* extend this time limit.

Filing an appeal before the effective date on the "Notice of Decision" can allow your benefits, to continue until your appeal is heard or decided.

When you have health insurance available through an employer, your worker will usually make a referral to the HIPP Unit automatically and you do not need to file a separate application. If you have questions about whether a referral was made, you should contact your worker or you may contact the HIPP Unit at 515-281-7313 or 515-281-7151.

WHAT ARE MY RESPONSIBILITIES?

- Apply for and accept any cash benefits to which you are entitled.
- Present your Medical Assistance Eligibility Card each time you request service from a medical provider.
- Inform your medical providers of any medical resources that you have (Medicare, private health insurance, damage suits, etc.).
- Inform DHS of any medical insurance available to you, regardless of whether you are enrolled in the policy.
- File an application for any medical resources that may be available to you. You must also cooperate in the processing of a claim or application.
- Inform your county DHS office of changes in your medical resources. If DHS is paying your health insurance premiums, inform the HIPP Unit of any changes in your health coverage (cost, scope of benefits, persons covered, etc.).
- Refund to DHS any money that you receive from a person or company to pay medical expenses which would otherwise be paid by Medicaid.
- Inform your county DHS office of changes in your address, income or resources, household size (marriage, pregnancy, births, deaths, children entering or returning from foster care, persons entering an institution), or any other change that may affect your eligibility or amount of benefits.
- Cooperate with the Child Support Recovery Unit to establish paternity or obtain support for children under 18.

USE OF THE MEDICAID TOLL-FREE HOTLINE

On the back of your Medical Assistance Eligibility Card, there is a toll-free telephone number (1-800-532-1215) to help you resolve unpaid bills that you think Medicaid should have covered. The worker who answers this line will take down the information about your bill and submit it to the Division of Medical Services for review and consideration.



Before you call the Medicaid hotline, you should have the following information in front of you: The medical bill, a brief description of what services were provided, and the patient's state identification number (SID#) listed on your Medical Assistance Eligibility Card.

In order to help you, the worker will need information about your billing problem.

This hotline is not to be used to ask questions concerning Medicaid policy or whether medical procedures or equipment are covered by Medicaid. These questions should be directed to your county DHS worker or to your medical provider.

POLICY ON NONDISCRIMINATION

No person shall be discriminated against because of race, color, national origin, sex, age, physical or mental disability, creed, religion, or political belief when applying for or receiving benefits or services from the Iowa Department of Human Services or any of its vendors, service providers or contractors. If you have any reason to believe that you have been discriminated against for any of the above reasons, you may file a complaint with the Iowa Department of Human Services (DHS) by completing a Discrimination Complaint form. Any DHS office or the Office of Equal Opportunity can give you a form. You may also file a complaint with the Iowa Civil Rights Commission (if you feel you were discriminated against BECAUSE OF your race, creed, color, national origin, sex, religion, or disability); or the United States Department of Health and Human Services, Office for Civil Rights.

IOWA DEPARTMENT OF HUMAN SERVICES

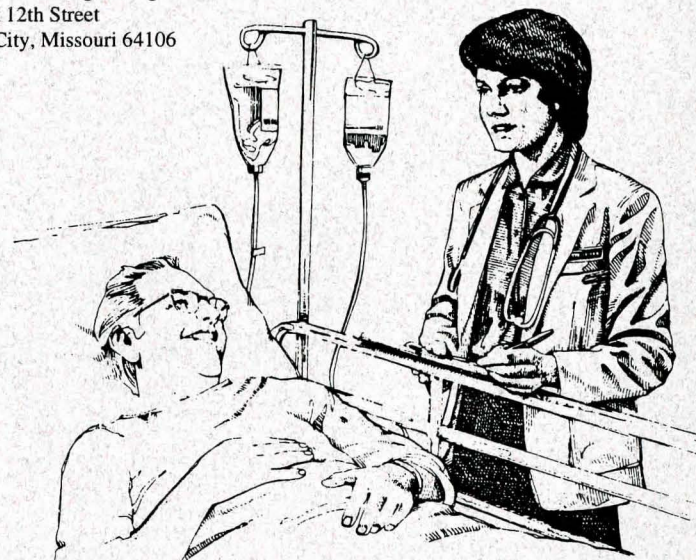
Office of Equal Opportunity
Hoover State Office Building
Des Moines, IA 50319-0114

IOWA CIVIL RIGHTS COMMISSION

211 East Maple Street, 2nd Floor
Des Moines, Iowa 50309-1858

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office for Civil Rights Region VII
601 East 12th Street
Kansas City, Missouri 64106



INSTRUCTIONS FOR COMPLETING THE APPLICATION

If you want DHS to consider paying your health insurance premium, please complete the application on the opposite page. Detach the completed form and fold the form in half at the dotted line so the address shows on the outside. Be sure to moisten the adhesive strip at the bottom of the application to seal the form. No postage is necessary.

Enter the policyholder's name, address, social security number and telephone number in the spaces provided. If you do not have a telephone, list a number where you can be reached or a message left.

- Question 1.** List the name and address of the insurance company, the name of the policyholder and policy number in the spaces provided.
- Question 2.** List the name and birth date of everyone in your family who is eligible for coverage under this policy. Indicate whether the person is currently receiving Medicaid and, if yes, list the person's state identification number from the Medical Assistance Eligibility Card. If you have applied for Medicaid but a decision has not been made on the application, write the word "APPLIED" in this section.
- Question 3.** Indicate whether you currently have coverage under this policy.
- Question 4.** Indicate whether your spouse or children currently have coverage under this policy.
- Question 5.** If you receive Medicare, check "yes." Remember not to confuse "Medicare" with "Medicaid" (Title 19).
- Question 6.** List how much the premiums cost each time a payment is due. If the insurance is through an employer and the employer pays for part of the cost, **list only your share of the cost.**
- Question 7.** List how often a premium payment is due. For example: biweekly (every two weeks), monthly (once a month), bimonthly (twice a month), quarterly (every three months), annually (once a year), and so forth.
- Question 8.** If this policy is through an employer, check "yes" and list the name of the employer.
- Question 9.** Check all of the services covered under the policy.
- Signature:** Sign and date the application form at the bottom.

IMPORTANT

If you do not have a copy of the policy or a booklet describing the services covered under the policy, you should try to get a copy in case more information is needed to establish your eligibility for the Health Insurance Premium Payment Program.

QUESTIONS? Call the HIPP Unit at 515-281-7313 or 515-281-7151.

HEALTH INSURANCE PREMIUM PAYMENT PROGRAM APPLICATION

POLICYHOLDER NAME AND ADDRESS

SOCIAL SECURITY NUMBER

--

TELEPHONE NUMBER

() --

1. Complete the following information regarding the insurance policy.

NAME AND ADDRESS OF INSURANCE CARRIER

2. List all persons eligible for coverage under this policy.

NAME	BIRTH DATE	MEDICAID ELIGIBLE?	STATE ID NUMBER
	/ /	<input type="checkbox"/> YES <input type="checkbox"/> NO	
	/ /	<input type="checkbox"/> YES <input type="checkbox"/> NO	
	/ /	<input type="checkbox"/> YES <input type="checkbox"/> NO	
	/ /	<input type="checkbox"/> YES <input type="checkbox"/> NO	
	/ /	<input type="checkbox"/> YES <input type="checkbox"/> NO	
	/ /	<input type="checkbox"/> YES <input type="checkbox"/> NO	
	/ /	<input type="checkbox"/> YES <input type="checkbox"/> NO	

3. Are you currently enrolled in this policy? ☐ YES ☐ NO
4. Are your dependents currently enrolled? ☐ YES ☐ NO
5. Are you a Medicare recipient? ☐ YES ☐ NO
6. How much are the premiums? \$ _____
7. How often are premiums paid? _____
8. Is this policy through an employer? ☐ YES ☐ NO
- If yes, list employer's name: _____

9. Check the services covered under the policy.

- ☐ Hospital ☐ Dental ☐ Lab X-ray ☐ Psychiatric Care
- ☐ Physician ☐ Drug ☐ Nursing Facility ☐ Medical Equipment

Signature _____

Date _____



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